

20042703E

Date: January 21, 1998

In Reply Refer to:
EP/EO:T: [REDACTED]

Person to Contact:
[REDACTED]

Contact Telephone Number:
[REDACTED]

EIN: [REDACTED]

U/R: 501.00-00

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Dear Sir or Madam:

This is a final adverse determination that you do not qualify for exemption from income tax under section 501(a) of the Internal Revenue Code (I.R.C.) as an organization described in I.R.C. § 501(c)(3). Internal Revenue Service recognition of your status as an organization described in section § 501(c)(3) is revoked, effective [REDACTED] the date of your incorporation.

Our adverse determination is made for the following reason(s):

You are not operated exclusively for exempt purposes within the meaning of I.R.C. § 501(c)(3). You are not an educational or charitable organization within the meaning of Treas. Reg. § 1.501(c)(3)-1(d). You have a substantial non-exempt purpose to provide personal and private benefits to specific individuals; you are operated for private benefit and your earnings inure to the benefit of private individuals.

Specific facts that contributed to this determination included:

- (1) You were unable to document that you have carried on any activities for charitable or other purposes cited in I.R.C. § 501(c)(3).
- (2) Your primary activities have been the operation of a [REDACTED] and a [REDACTED] producing a few live concerts and the performance of a play [REDACTED] starring [REDACTED]. These activities were operated on a commercial basis and were not for purposes cited in I.R.C. § 501(c)(3).
- (3) Your earnings were used to pay the personal living expenses of your president.

Contributions made to you are no longer deductible as charitable contributions by donors for purposes of computing taxable income for federal income tax purposes. See Rev. Proc. 82-39 1982-2 C.B. 759; for the rules concerning the deduction of contributions made to you between [REDACTED] and the date

a public announcement, such as publication in the Internal Revenue Bulletin, is made stating that contributions to you are no longer deductible.

You are required to file income tax returns on Form 1120 for the tax year ending [REDACTED] and all subsequent tax years. Forms 1120 for the years ended [REDACTED] through [REDACTED] must be filed with this office within 30 days of the date of this letter unless a request for an extension of time is granted. Send such returns to the following address:

Internal Revenue Service
[REDACTED]

Income tax returns for subsequent years are to be filed with the appropriate Service Center identified in the instructions for those returns.

The processing of income tax returns and assessment of any taxes due will not be delayed because a petition for declaratory judgment has been filed under I.R.C. § 7428.

You did not file a request to appeal the proposed revocation to the Office of Regional Director of Appeals within 30 days of the date of our proposed revocation letter. Your failure to file an appeal constitutes a failure to exhaust your available administrative remedies. However, if you decide to contest this determination in court, you must initiate a suit for declaratory judgment in the United States Tax Court, the United States Claims Court or the District Court of the United States for the District of Columbia before the 91st day after the date this determination was mailed to you. Contact the clerk of the appropriate court for rules for initiating suits for declaratory judgment.

We will notify the appropriate State officials of this action, as required by I.R.C. § 6104(c).

This is a final revocation letter.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

[REDACTED]
District Director

cc: [REDACTED]